



Connecticut
Petroleum Council
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Testimony Of
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OPPOSITION TO: HB-5160 (PETROLEUM TERMINAL BILL)
Connecticut Petroleum Council
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The Connecticut Petroleum Council---representing major oil companies, suppliers and terminal operators in the state of Connecticut---opposes HB-5160, a bill allowing any licensed, insured petroleum hauler access to any terminal in the state, so long as it meets the technical requirements of the terminal operator.

Petroleum haulers (truckers, gasoline distributors, home heating oil companies) pick up their products at terminals located throughout the state, especially in New Haven, Bridgeport and Groton. Many haulers have pick-up privileges at multiple terminals. Terminal operators normally want as many customers in their terminal as possible in order to maximize sales. There are, however, exceptions.

Occasionally, a terminal may deny access to a hauler—even if he meets the terminal operator's technical requirements---for good reason:

- The hauler may be a poor credit risk, and/or owe a large, unpaid balance on prior due bills, with no payment plan in place to re-pay it.
- The hauler may have a history of traffic accidents in the terminal, and/or be a poor safety risk, notwithstanding the fact that he is licensed and insured.
- The hauler may not have a contract with the supplier at the terminal. When supplies are tight (such as after Hurricanes Katrina, Wilma and Ike), supplies may be rationed, and therefore, unavailable to non-contract purchasers, or available in only limited amounts. Non-contract customers shouldn't automatically be given the same preference as contract customers, which is what this bill suggests. Under such a rule, a terminal may be forced to sell fuel originally destined to a contract customer (i.e. municipality) to a non-contract customer, thereby depriving the municipality of fuel for which it contracted. Companies that have contracts should be guaranteed the fuel they expect, and not fear "getting bumped."
- A driver may have issues of a personal nature (drinking, drugs, felony convictions, homeland security risk) which force a terminal operator to deny a hauler access to a particular terminal, or place limitations on that access (i.e. daytime access only).

In short, there are clear business reasons why terminal operators or fuel suppliers may deny access to a particular hauler. Terminal operators should be allowed to determine those on a case-by-case basis, in order to allow for extenuating circumstances that arise in the day-to-day business world.

Thank you for considering our testimony. Please do not hesitate to contact us if you have questions or comments.